

**ARIZONA STATE PARKS BOARD
1300 W. WASHINGTON
PHOENIX, AZ
NOVEMBER 21, 2008
MINUTES**

Board Members Present:

William Scalzo, Chairman
Reese Woodling, Vice Chairman
William Cordasco
Arlan Colton
Tracey Westerhausen (arrived at 10:50 a.m.)
Larry Landry

Board Members Absent

Mark Winkleman

Staff Members Present:

Kenneth E. Travous, Executive Director
Jay Ream, Assistant Director, Parks
Debi Busser, Executive Secretary
Janet Hawks, Chief, Operations

Attorney General's Office:

Joy Hernbrode, Assistant Attorney General
Laurie Hachtel, Assistant Attorney General
Dennis Carpenter, Assistant Attorney General

A. CALL TO ORDER - ROLL CALL

Chairman Scalzo called the meeting to order at 10:15 a.m.

B. INTRODUCTIONS OF BOARD MEMBERS AND AGENCY STAFF

The Board members and Arizona State Parks staff introduced themselves. Mr. Landry noted that there was a distinguished person in the audience who also has a great passion for Arizona State Parks (ASP), Councilwoman Maria Baier from the City of Phoenix. He noted that she would be speaking later. He wanted to acknowledge the Councilwoman and all the great work she's done.

1. **Board Statement** - "As Board members we are gathered to be the stewards and the voice of Arizona State Parks' Mission Statement: Managing and Conserving Arizona's Natural, Cultural, and Recreational Resources, Both In Our Parks and Through Our Partners for the Benefit of the People."

Mr. Cordasco recited the Board Statement.

C. CONSENT AGENDA

1. **Approve Minutes of September 29, 2008, Arizona State Parks Board meeting**

2. **Consider Extending the Project End Date for the City of Flagstaff Trails Heritage Fund Project #680207, FUTS: Rio de Flag North, Acquisition/Development** – Staff recommends extending the project end date by 12 months to October 21, 2009 for the Trails Heritage Fund Project #680207, FUTS: Rio de Flag North Acquisition/Development. AORCC concurred
3. **Consider Request for Approval of Project End Date Extension for Historic Preservation Fund Project #640307 - the Center for Desert Archaeology - Coalescent Communities in Arizona.**
4. **Consider recommending State Trails Nominations** – Staff recommends that the Board include the trails listed into the State Trails System.

Mr. Landry recused himself from this Agenda Item.

Mr. Cordasco made a motion to accept the Consent Agenda; Mr. Woodling seconded the motion. The motion carried with Mr. Landry recusing himself from the vote.

D. DISCUSSION ITEMS

1. Update on Fiscal Year 09 Budget

Mr. Travous noted that he'd hoped to have more handouts to give the Board with more information from the Budget Office, however that information did not come in until 4:45 p.m. last night. Mr. Ziemann and Mr. McNeil are upstairs crunching those numbers.

Mr. Travous reported that the agency started out about two years with a \$12M budget. In the last year to year-and-a-half we have trimmed about \$2M from that budget. Therefore, we went from a \$12M state budget to a \$10M budget. It appears that the Governor's Office and the legislature have agreed on a shortfall this year of just over \$1B dollars. That means we have six months to make up \$1B. Staff was asked to look at different levels of hurt and where ASP would come up with \$1M - \$500,000 on _____ and another \$500,000 later on. He noted that we have been gathering funding from a number of places to fund the rehabilitation of Jerome Mansion. That is now on hold. Because this is Enhancement money, staff went before the Joint Committee on Capital Review (JCCR) to get their nod, and they refused to hear it primarily so they can look at taking that money. That money is sitting in abeyance right now.

Mr. Travous added that our Administrative Staff continue juggling the budgets that we have. Unlike many state agencies, where they are given and appropriation and they follow it through, we have a variety of budget sources from a variety of areas for a variety of purposes that require us to manage them not only by statute but to also manage them in such a way that we are in the black in the end of June (the end of the Fiscal Year). He noted that the agency just made it through the first quarter of this year (always the toughest quarter). He explained that the money we get from the General Fund does not all come in at once. In the first quarter they give us 31% in anticipation of the fund sweeps that are more like 33%. That puts us in a situation where we have to borrow funds in the first quarter to make up those differences. Over the past couple of years we've been looking to the revenue we make, borrow money from funds (in the first quarter we borrowed about \$500,000 from the State Lake Improvement Fund), and as the fiscal year winds up that money is repaid from other funds.

Mr. Travous noted that as of the end of the first quarter (October), our visitation is down 4.5%; our revenue is only down 1%. That's encouraging. The staff in the field are taking it seriously. There was concern that there were discussions in Canada that the Canadians could only come for three months. That did not materialize. The Canadians are coming. The price of gas has dropped a lot, but we don't know if people have put their travel plans on hold. The flip side on the Canadians is that they have had a fairly good exchange rate last year.

Mr. Travous distributed information from the Governor's Office on the budget. They are looking for impact statements. Mr. Ziemann and Mr. McNeil are trying to put numbers together right now. They are looking at going beyond the General Fund, they are looking at General Fund sweeps, and percentages of the General Fund. The only thing they are not looking at are the federal funds. Any funding tied to the federal government has to have approval from Congress, and they won't get that. However, he wouldn't be surprised to see some of that funding taken next year because of the difficult financial problems that all the states are in.

Mr. Travous stated that the funds being looked at include the Off-Highway Vehicle (OHV) fund, the State Lake Improvement Fund (SLIF), the Enhancement Fund, the Heritage Fund, the Growing Smarter Fund, the Law Enforcement Boating Safety Fund, the Reservation Surcharge Fund, and the Publications Fund. They are looking for an Impact Statement by the end of today of 7% of all of those funds, which would amount to just under \$5.3 million. They are also looking at sweeping another \$400,000 from the current OHV fund. Staff do not know whether they are discussing the new OHV program, but they can't sweep that yet because no money comes in until January. SLIF is just under \$2M; Enhancement Fund Revenues is \$100,000; Publications Fund is \$100,000. It would be a straight sweep of that money. SLIF not only goes out, but it also funds employees in the organization. He believes that if we have money sitting in grants right now, even if it's under contract, we may be asked to suspend payment.

Mr. Travous added that there is a hiring freeze on that's been in place since early in this calendar year. We are getting our mission-critical positions filled; however, it is taking longer to get approval.

Mr. Landry noted that he has been involved, by invitation, in the Governor's Office on some of these discussions. It is ugly. Either today or tomorrow it will be announced that they will have special sessions where they will pass on half of their agreed-upon debt – roughly \$500M. The Speaker has taken real leadership and has worked this very hard. This is all the more reason for the Blue Ribbon Task Force which, in discussions as late as yesterday, should be formed by late November.

Mr. Landry suggested that, since the Board funded Mesa's archaeological project, staff should contact Mayor Smith, of Mesa, to help him understand ASP's situation.

Mr. Colton asked how much money the agency has left after all the sweeps.

Mr. Travous responded that they are asking for impact statements. He noted that it's not just the corpus that affects us. We have a lot of things based on interest from the corpus. They can take from the corpus and then that affects the interest. Some employees are paid from the corpus; others from interest. The Heritage Fund is a good example. If one takes the Heritage Fund, it appears from first blush that no one is

getting hurt. It's the build-up of the interest on those funds over the years that has allowed us to hire and keep employees paid.

Mr. Travous noted that the agency has been very conservative financially over the years. He believes that the only reason the agency has made it to this point is that the organization is so financially conservative. Any expenditure, now, that is more than \$1,000 must come to him for approval. This is not business as usual. The fact that we've been able to keep our Revenue losses at 1% when Visitation has been down 4.5% says well to understanding the importance of this aspect.

2. Update on City of Yuma Funding Regarding Yuma Quartermaster Depot State Park

Mr. Ream reported that he and Mr. Travous visited the City of Yuma and met with Mr. Charles Flynn, Director of the Yuma Crossing National Heritage Area of which our parks serve as bookends for. They have a new Hilton Hotel going up. He promised a letter to the Board, but it has not yet arrived. The gist of the letter to the Board is that they are having an election in May. Currently, the 2% sales tax on hotels and restaurants and rental cars and things they pass on to the visitors will be suspended in July unless they pass this in May. He believes the letter will ask the Board to support it. This tax is where all of the funding for the Yuma Quartermaster Depot State Park comes from.

Chairman Scalzo added that if they suspend this tax, there will be no operational funding for that park. It is essential that the Board send a letter of support.

Mr. Ream responded that he will prepare the letter for the Chairman's signature.

Mr. Travous noted that the Board has a meeting scheduled in Yuma prior to the election.

Mr. Colton noted that he was in Yuma a couple of weeks ago. The area is shaping up nicely.

3. Update on the Hiring of a New Executive Director

a. Discussion regarding ADOA (AZ Dept. of Administration) services in recruitment process.

Chairman Scalzo noted that Ms. Susan Laurence and Tom Kernen of ADOA were present. He wanted to discuss how ADOA may be involved in the recruitment process at this time. Later, the Board will go into Executive Session to discuss hiring a new Executive Director. He noted that he and Mr. Cordasco are on the subcommittee together that discussed options. One of the things they wanted to do again was hear what the process would be using ADOA and their specialists to assist the Board in the recruitment process.

Chairman Scalzo noted that Mr. Travous is retiring in 2009. The Board needs to find someone to come in and fill the role of Executive Director. The Parks Board, as a Board, has decided to conduct a major recruitment. He asked Ms. Laurence to address the process by which ADOA would assist the Board.

Ms. Susan Laurence, Recruitment Manager, ADOA, addressed the Board. She stated that the first thing they need is a PDQ (Position Description Qualification) from which a job description would be generated by her team. It would be passed on to the Board

for approval. After approval is received, they would post on AZSTATEJOBS and possibly post on industry-related job sites, Monster, and Jobbing.com. They would look at a date to first review the résumés. After that, they would meet with the search committee and whittle the list down to the final candidates. A date will then be set to interview those final candidates. Prior to the interviews, they would do complete screening on the candidates. They would send out the job offer letter after passing it by the Governor for her approval.

Mr. Landry noted that the Board is going out for a national search. The ADOA does this. He noted there is a distinction and a difference here. The Governor has no say in either the hiring or the job description of this position. It rests statutorily with this Board. He would expect, when the Board talks about this and takes action, they would enter into a collaborate process. He believes that ADOA does a great job, but if it is necessary for them to get sign-off from the Governor, then it becomes an issue of great concern for him when it is time to take formal action.

Mr. Colton stated that he was confused about what was just said. He asked if the discussion is that the Board should consult with the Governor's Office before hiring someone or that it is statutorily within the Board's authority to hire someone .

Mr. Landry responded that he heard Ms. Laurence's comments and his comment was that ADOA does a great job at this and has a lot of experience. But in the presentation, Ms. Laurence stated that they would get approval from the Governor or the Governor's Office on the job description and the hiring. While he would be supportive of this Board directly having a discussion process, he would not be supportive (if the Board were voting) of this Board, who has the statutory and fiduciary responsibility, giving up the decision of who it interviews and who it hires and giving that power to anyone else. When the Board discusses this for action, if the Governor's approval is what has to occur with ADOA, it will change his opinion on who the Board uses.

Ms. Laurence asked the Board to please understand that, in her experience, the Governor has never not approved the job description or the candidate that was interviewed. Once the Board has selected a candidate, ADOA notifies the Governor's Office of the job offer. This is something they have always done.

Mr. Landry responded that if the Board thinks he should refrain from commenting, then he will.

Chairman Scalzo noted that he believes that the Board members agree that their role is unique in the hiring process. He stated that he does not believe that the Board is agreeable in any way to giving up that authority in the selection process. The Board will follow a very open recruitment process. He would expect that any elected official in the state would be more than pleased that the Board is going in that direction. Ours is a unique agency and the process would be advertising and posting the position, recruiting, interviewing, and making a recommendation.

Mr. Landry noted that this discussion is agendized for discussion later on the Agenda. He suggested that the Board continue the discussion after the Board speaks with its attorneys in Executive Session.

Chairman Scalzo asked for a timeline for starting this process.

Ms. Laurence responded that they are working with another agency and the process is moving along very fast. By the time they post the job, normally looking at that first review takes 2 weeks and includes doing a background check on the candidates. After they do that, they bring their final recommendations to the Board. After they do that, they can do reference checks that would probably take 1 week. After that, they would be able to bring in some candidates to review. She believes they could get everything done within a month. They don't waste a lot of time.

Chairman Scalzo asked if ADOA will pay travel costs if candidates are brought in from out-of-state.

Ms. Laurence responded that they have always done that. However, with the budget situation right now, she is sure if they will still be able to do so. They will pay for the posting, too. She offered to come back later when the Board again takes this issue up for discussion.

b. Role of Executive Director's Hiring Subcommittee in recruitment process

There was no discussion on this item at this time.

4. Update on the Strategic Plan

Mr. Colton distributed a document entitled "Arizona State Parks Strategic Plan – Focus on Playing Defense". He reported that his subcommittee – himself, Mr. Winkleman, and Mr. Travous, met on Monday afternoon. They had information from the Board's planning session in October and brainstormed a little more and came up with two additional items that need to be discussed. They took what they had and melded the into the strategies that the Board already had (the Seven Strategies). That resulted in this document. He doesn't think it works real well. He may end up abandoning that idea. It may help coalesce any thoughts others may have. The intent of the strategic plan was that it be a short-term (one-to-two year) look at ASP and to also use for when we have candidates for the Executive Director position so they have something to look at. The document is in its very early stage right now. There's a lot more work that needs to be done. He asked the Board to review the document and provide him with any additional points they may have.

Chairman Scalzo noted that, under the Open Meeting Law, Board members should provide staff with their additional points and not directly to Mr. Colton.

Mr. Colton reiterated that this document needs significant work.

Chairman Scalzo noted that it's a good first draft and thanked the committee for their work on it.

E. BOARD ACTION ITEMS

- 1. Proposed 2009 Parks Board Meeting Schedule** – Staff recommends that the Board approve the proposed meeting schedule for calendar year 2009.

Board Action

Mr. Landry: I move that the Arizona State Parks Board approved the Proposed 2009 Parks Board Meeting Schedule.

Mr. Cordasco seconded the motion. The motion carried unanimously.

Mr. Woodling noted that this schedule is the result of a meeting he had with Mr. Travous in early November. The meetings will continue to be held on Fridays. There may be special meetings called to go over the candidate selection. He felt that the Board should visit as many state parks as possible during the year. He spoke with Mr. Travous about budgetary concerns and he was agreeable that we had the money for the Board to attend these various parks. Yuma is the highlight with the election coming up. Boyce Thompson was one the Board wanted to visit. July is the budget meeting at Tonto in July. The Board will go to Riordan in November before it gets too cold. Many of the Parks Board have never been to Riordan.

Chairman Scalzo stated that he wanted, at this point, to get the reports from the advisory committees and, after hearing those reports, appoint new members to those committees.

F. ANNUAL REPORTS FROM ADVISORY COMMITTEES

1. Conservation Acquisition Board

Chairman Scalzo invited Councilwoman Maria Baier to address the Board.

Ms. Baier reported that she is the Chairman of the Conservation Acquisition Board (CAB). The Governor appoints all members of the CAB. Their purposes is to make recommendations regarding the Land Conservation Fund to the Parks Board. CAB consists of seven members. The Parks Board administers the Growing Smarter State Trust grant program. The purpose of that grant program is to conserve open space within the urban areas and other areas with high-growth potential. It was dreamed up back in the mid-1990s as a way to be a safety valve on the rapid growth we were experiencing. Today, it's mostly an urban program – not just for larger areas but also for small, urban areas statewide. That was designed to avoid interfering with concerns from some in the agricultural community that we would try to conserve areas that would interfere with ranching operations.

Ms. Baier added that the grant cycle began in May. Recommendations are due by September. The money is appropriated into the Land Conservation Fund. In 1998 the voters approved Proposition 303. It was supposed to be a 10-year program, but ended up being an 11-year program due to a mathematical glitch. It is \$220M that comes out of the General Fund and into the Land Conservation Fund. Because it was passed in 1998, the same time as the Voter Protection measure, these funds are protected from sweeps. The only way the legislature can take this money is to go back to the voters for their approval to take back this money. The final funding cycle will be in 2011.

Ms. Baier noted that the original legislation always called for up to 10% for the purposes of preserving agricultural properties. About 4-5 years ago legislation was passed that formalized that process and took \$2M per funding cycle and put it into a crop conservation fund, administered by the AZ Dept. of Agriculture. The Open Space Conservation Fund now gets \$18M a year and the Crop Conservation Fund gets \$2M a year.

Ms. Baier reported that currently there is \$60M in the fund. The reason the fund is so high is that the Land Commissioner must designate the properties eligible. There is a limit of no more than 50% can go to any one county in any year. Eligible applicants are basically state agencies, local municipalities, and counties. Grants have been made to non-profits. Not all state trust lands are eligible. There is a qualified process that is

rigorous. Once the land is reclassified as conservation, it is there for a reasonable period of time so applicants can get their funding together. The appraised value of the project can receive up to 50% funding from the Land Conservation Fund in exchange for the grant from the conservation fund. To date, CAB has paid for approximately 3,000. This has been an enormously successful program. They've made grants to non-profits and to municipalities. She believes this has been a very popular program.

Chairman Scalzo thanked Ms. Baier for coming to the Board and making her report.

2. Arizona Outdoor Recreation Coordinating Commission

Chairman Scalzo noted that Mr. Jeff Bell is present from the Arizona Outdoor Recreation Coordinating Commission (AORCC). AORCC members are appointed by the Governor and confirmed by the Senate.

Mr. Jeff Bell, Chairman of AORCC, addressed the Board. He reported that AORCC's membership is set by statute and consists of seven members: Director of Game and Fish, Executive Director of ASP, and the remaining five members are appointed by the Governor. AORCC's role is to serve the Parks Board, in an advisory capacity. Every year they review applications and make recommendations to the Board on expenditures of grant funds from the Heritage Fund, State Lake Improvement Fund (SLIF), Law Enforcement Boating Safety Fund (LEBSF), and the federal Land and Water Conservation Fund (LWCF).

Mr. Bell discussed highlights from the last year. After a couple of runs at AORCC, the AZ State Committee on Trails (ASCOT) recommended a decrease in match for the Trails Heritage Fund program. The Board ultimately approved a minimum match of 25% for cities, counties, tribes, and state agencies and retained a 50% match for federal entities. We will all revisit this program and the match requirement prior to July 2011 per the Board's action. In 2008 the Board adopted the 2008 Statewide Comprehensive Outdoor Recreation Plan (SCORP). For several years now, AORCC, unfortunately, has not had much difficulty in recommending disposition of funds for LWCF. They hover around the \$375,000 range. In March, AORCC considered a proposal to consider LRSP (Local, Regional and State Parks) funds to purchase the Picket Post house near the Boyce Thompson Arboretum in Pinal County. Although the use of the LRSP funds deviated from the protocol established in the early 1990s between AORCC and ASP, a favorable recommendation was afforded to use \$1.4M - \$700,000 from 2008 and \$700,000 from 2009 – of the LRSP fund for this purchase.

Mr. Bell stated that an issue they look forward to addressing in the near future is the SCORP 2010 plan update. He noted that AORCC has a relatively new membership. Four of their members are recent appointees and they are working of getting up to speed on AORCC's role. He thought it might necessary to revisit the Memorandum of Understanding (MOU) that was struck in 1994 between AORCC and the Board to ensure an equitable distribution of grant dollars is maintained for distribution statewide.

Mr. Bell added that last week an item of concern was raised regarding time extensions requested by grant participants. Although they understand that projects can be delayed for various reasons, they also believe that in some cases agencies need to be held more accountable for their grant programs.

Mr. Bell concluded by saying it is an honor to serve the Chairman and the Board and this great state.

Mr. Landry thanked Mr. Bell. He noted that it looks as though it's been 15 years since the MOU. He believes it would be very good for the Board to revisit it.

Mr. Woodling thanked Ms. Baier and Mr. Bell for their concise reports. He believes that the Board are looking for a board manual particularly for new Board members. He would like Ms. Baier's and Mr. Bell's reports to be included in that manual. He knows it will be in the Minutes of this meeting; however, he was very impressed with both presentations.

Chairman Scalzo again thanked Mr. Bell and noted how difficult that process is.

Mr. Colton referred to Mr. Bell's discussion on the number of time extensions, he asked if all applicants need time extensions.

Mr. Bell responded that the vast majority are probably deserving of extensions. But there are a few that come before them that AORCC believe could have better managed their project and not required an extension.

3. Historic Preservation Advisory Committee

Chairman Scalzo invited Mr. Winston Thorne and Mr. Vic Linoff to address the Board on the Historic Preservation Advisory Committee (HPAC).

A slide presentation was running while the representatives from HPAC spoke.

Mr. Thorne thanked the Board for the opportunity to present HPAC's ongoing presence, contributions, concerns, goals, and aspirations to the Board. As Chairman of HPAC, he and Mr. Linoff (a long-standing member of HPAC) will give the Board a presentation today.

Mr. Linoff stated that he appreciated the Board's interest in hearing from the committees that closely study and advise the Board on policies and criteria relating to specialized programs and grants. Beginning in 2003, for 13 months HPAC worked on an unprecedented collaborative process with grants in SHPO (State Historic Preservation Office) to craft an entirely new Heritage Fund for a preservation grant program, encapsulated within which was an implementation of a second grant cycle. During that time they put out a new grant manual. They reestablished a strong working relationship between SHPO and Grants. He pointed out that the internal relationship has continued to strengthen, particularly with Ms. Doris Pulsifer. They have accomplished a lot because of her leadership within the Grants section.

Mr. Linoff reported that, additionally, HPAC worked closely with a Board that provides regular updates on the progress of their work and seek the Board's advice and guidance as they move into what is really uncharted territory. The outcome was an entirely new grant manual that better served the needs of the AZ preservation community. They initiated a number of major improvements such as color-coding the manual for easier navigation. The most significant change was the bi-annual cycle, reducing maximum application time from as long as 18 months to less than 6. SHPO previewed the applications to ensure that historic appropriateness of the projects was adequate in meeting state requirements for grants. The grant manual requires that attendance is mandatory at the grant workshops which significantly improved the

applications, particularly those from applicants with little grant-writing experience to better navigate a sometimes-challenging process. The outcome is the quality of great applications has increased dramatically. He believes requiring attendance at the workshops is what resulted in raising scores with 100 points being achieved for the first time ever for this program.

Mr. Linoff reported that surveys of applicants have demonstrated the absolute success of the program; Grants staff appreciate the higher quality of applications making their work a bit easier.

Mr. Linoff stated that, now in its fourth year, the biannual program has proved in every way that, through strong commitment and collaboration, the residents of Arizona are now more effectively and efficiently served.

Mr. Linoff thanked the Board for its continuing support as HPAC moves forward. He emphasized that they are adjusting to changing times and trying to innovate and best provide for the needs for those seeking preservation grants. They will work to continue improving Heritage Funds for preservation services by a broader dissemination of the workshops, refining the manual further, soliciting feedback of applicants, and continually seeking the Board's input.

Mr. Linoff stated that HPAC does have some immediate concerns for which they do seek the Board's counsel. The first is the diversion of substantial funds for specific ASP staff positions regarding the purchase of Spur Cross Ranch in 2000. It substantially reduced the amount of money HPAC had available for preservation grants for three years. Most recently, the Picket Post house purchase has once again harmed HPAC's ability to provide grants. It is important to consider that because there are few sources of preservation money, that the dollars provided by the Heritage Fund grant is often the difference between successfully completing a preservation project or not. Fellow committee member Joan Nucci has accurately observed that the Historic Preservation program remains the single source for brick-and-mortar preservation and conservation of historic resources in the State of Arizona today. They recognize that sometimes preservation competes with the broader Mission of ASP. In order to avoid causing future harm to HPAC's programs, they respectfully request that the Board carefully consider and adopt a consistent policy for handling large-scale acquisitions. HPAC would be happy to assist the Board in crafting a policy that not only meets the goals of ASP but respects the fiduciary needs of the Board's committees.

Mr. Linoff stated that HPAC's membership is also a bit of a concern. Over the past couple of years it has become increasingly difficult to meet the guidelines for membership. Finding people from outside Maricopa County is challenging; the time commitment needed for making these meetings is difficult. He believes, however, that those who have served and are serving demonstrate knowledge and commitment and represent the highest standards demanded of HPAC members regardless of where they're serving. How HPAC can gain broad statewide membership is something they see as important. On the subject of dollars, HPAC is troubled by the fact that the Lottery fund distribution formula has not changed since its inception in 1991. As everyone well know, the value of the dollar has declined significantly in the last 18 years. It now takes more than \$2.5M to equal the 1991 value of HPAC's maximum of \$1.7M. We all need to write to the legislature where, by Initiative, we increase the allocation to ASP; and, at the very least, increase Lottery fund distributions to inflation.

We also need to, by voter initiative, voter protect the Heritage Fund from future legislative raids.

Mr. Linoff stated that he hoped today's presentation would lead to periodic reports on the activities of HPAC. He thanked the Board for the opportunity to serve the Board. He added that HPAC is very interested in hearing the Board's concerns with regard to their charge.

Mr. Thorne continued with the slide presentation to its end.

Mr. Landry thanked Mr. Linoff and Mr. Thorne for the job they do. He knows that, at Homolovi State Park, there is a very active program with Native Americans. The issues HPAC deal with are very important to several Native American Communities. He asked the committee to at least consider, in its goals, to have an active process with them. At either the budget meeting in July or at the strategic planning meeting there was discussion that the Board would have a formal meeting on both these issues and the archaeological issues to reach out to the Native American communities to better educate. He stated that that is an issue with the 22 tribes and the several cultures and the history. He asked the committee to consider adding this to its goals or part of its focus when they meet again.

Mr. Landry noted that the two applicants before the Board for appointment to HPAC are outstandingly qualified. He would like some discussion that the Board really tried to get someone from outside of Maricopa County. He is very satisfied with these applicants, and he's not talking retroactively, but in the future whatever our recruitment efforts are let's really try to do that. The applicants before the Board are outstanding and impressive. He asked that in the future the Board look at what was done in the past and see if there's something we can do better just for the intent of having a broader base of constituents.

Mr. Linoff responded that he agrees with Mr. Landry 100%. Everyone is better served by representation throughout the state. It is not too presumptuous to want this because the Board represents various areas of Arizona. In the course of the Board's discussions, the Board can make it known that there are positions available. It is hard for the members of HPAC to go out and find people. Within the Board members' own circle they might be able to help find appropriate people. That might solve the problem.

Ms. Westerhausen thanked Mr. Linoff and Mr. Thorne not only for their presentation with the great visuals, but also for the constructive comments and criticism about their concerns. She believes that that is one of the most valuable thing they could bring to the Board.

Mr. Colton noted that the Board usually sees the vacancies on the advisory committees when they are about to be filled. It might be helpful if the Board know there are vacancies on committees. An e-mail could be sent letting the Board know what the vacancies are and what the qualifications are and from which counties the committee would like applicants to be from.

Mr. Colton referred to a slide from the presentation and asked for further explanation.

Mr. Linoff responded that it basically redefined the process. One of the things that changed was that in the review process SHPO looks at the applications and sees

whether it fits into the criteria for historic preservation. Then they are rated in Grants where they look at the public benefit and the ability of that applicant to be a responsible steward of the money. By the time they get it they are assured that there is merit to the application. It puts the expertise on the historic piece back on SHPO while Grants works on the public benefit.

Mr. Colton noted that he was at the Rio Rico Conference where a school got a grant award and got to tour that facility.

Chairman Scalzo noted that he was approached by Mr. John Driggs, Chairman of the Arizona Capitol Centennial Committee. Mr. Driggs brought up the fact that the original Capitol is grossly underutilized. The legislature actually put \$450,000 aside for it if matching funds could be identified. He asked an interesting question that involves HPAC in that he asked if there's ever been any discussion about the complex ever falling under ASP as a historic facility. He asked that HPAC and other look at that idea and see how we might want to be involved. He asked staff to look into that and see if there are any other models in the US where state capitols fall under park systems. HPAC might want to take a look at it. It's nice when one can find the state interested in a historic building, and then will literally put some money into it is unusual. There are people who are really supportive of this. They have been going to counties and cities looking for matching funds. Maricopa County gave them a check for \$5,000 as part of a match. He wanted HPAC to know that. He gave material to staff and suggested that perhaps there can be discussions in the future as they move forward on the Centennial planning.

E. BOARD ACTION ITEMS

- 2. Appoint new members to the Historic Preservation Advisory Committee (HPAC)** – The committee recommends that the following two individuals be appointed to fill the vacancies on HPAC: Winston Thorne, Jr. and Joseph Nucci and that they serve three-year terms beginning January 1, 2009.

Board Action

Mr. Landry: I move that the Arizona State Parks Board approve Winston Thorne, Jr. and Joseph Nucci to fill the vacancies on HPAC and that they each serve three-year terms beginning January 1, 2009. Mr. Colton seconded the motion. The motion carried unanimously.

F. ANNUAL REPORTS FROM ADVISORY COMMITTEES

4. Natural Area Program Advisory Committee

Mr. Trevor Hare, Chairman of NAPAC addressed the Board. While he spoke a slide presentation of natural areas was running. NAPAC is the Board's scientific advisory committee in the Resources Management Section of ASP. They strive to provide the science background prior to decision-making in the acquisition and management of state natural areas. NAPAC has seven members, with good representation from throughout the state. Their membership includes hydrologists, geologists, and biologists. Their main goal is the strategic acquisition/prioritization process of what qualify as natural areas, to evaluate natural areas, and make recommendations to the Board. They are also involved in making management planning guidelines so ASP can have the best management plans in place for state natural areas. They have provided

support to the Resources Management staff. They provide a larger worldview and a network of other scientists that they work with as well as other conservationists (the landowners) that we can work with. They provide a greater scientific expertise.

Mr. Hare discussed some of the opportunities they see, NAPAC wants to be there for the Board when there are scientific questions. They would like more direct contact with the Board if that's possible. They would like the Board to feel comfortable to ask them at any time throughout the year if the Board needs information on conservation values or natural resource values on properties. In that vein, NAPAC wants to start giving the Board status reports integral and appropriate to the Board's needs, to acquisition processes, and to management processes. Over the next few months they will prepare some sort of schedule to provide status reports of what NAPAC is dealing with.

Mr. Hare stated that one of the big things NAPAC has discussed over the last two years is the fact that our natural areas are not isolated from other jurisdictions; there are other landowners surrounding them. They are looking at the idea of Conservation Zones. Kartchner Caverns State Park (KCSP) is a perfect example. Scientific studies conducted at the park indicate that the area Kartchner Caverns is much larger than the park itself is. Discussions are being held with the Forest Service, BLM, State Land Dept., and the local landowners about how to protect KCSP. They came up with the idea of Conservation Zones for when we are working outside of our jurisdiction boundaries.

Mr. Hare added that NAPAC is also looking at teaming with regional land trusts and other agencies such as AZ Game and Fish to collaborate with and partner on purchases of other state natural areas and to provide a more robust management process and eventually shared management responsibilities. He noted that there are long-term sustainability threats to natural areas. Climate change would be just one example. Through their scientific advisory networks, they want to look long-term and come up with ideas that helps sustain the beautiful natural areas that we are trying to protect.

Mr. Hare stated that over the last year or two NAPAC has revised their prioritization process for acquisition and are about to finish with their Natural Areas Management Guidelines. Over the next two years they are looking to implement those guidelines. They will start the new year by working with staff on the Mission for NAPAC, a Statement of Direction, and an integrated natural resource management plan. They will continue to evaluate properties as they become available for evaluation. They want to improve old and develop new criteria for natural areas acquisition conservation. As he mentioned, the Conservation Zones idea is of great interest to them, especially in dealing with the larger landscape setting of the areas that those natural areas sit in. San Rafael is an example.

Mr. Hare thanked the Board for their continuing support for our rich natural areas heritage in Arizona.

Mr. Colton noted that there are a number of things going on here, some of which they have discussed. He stated that he sees the need for a lot more coordination. It's not so much the acquisition process but the management process side of it that he is interested in.

Mr. Travous responded that one of the things the Board has discussed in general is that right now we have different protocols and different processes toward these advisory groups. For instance, when it comes to AORCC, they used to be a separate agency

that combined with ASP. We have a protocol with them and we have a charge to them. They have their own statute. He thinks it would be wise to sit down for each of these advisory groups and talk about the charge to those groups, the protocol for how they handle things, and then have the Board buy-off on it. The dynamics go beyond just the advisory groups and the Board. The dynamics are the advisory groups, the staff, and the Board. What happens when one has an advisory group disagreeing with staff? How is that handled? Things only happen when there is one Director and one Board. When there are several people acting as Director or several people acting like the Board the permutations get out of hand. It is real difficult just from a management standpoint without some guidelines. Heretofore, it's worked alright because we've always had funding. As our money dwindles down and we start competing for that money, some of these discussions will get more heated. We didn't have these problems in the early 1990s when we were putting some of the groups that didn't exist then. We should probably go back now and look at the protocols and try to revised them in a way that everyone's happy.

Mr. Hare responded that NAPAC revisited their charge yesterday. They are very comfortable with it and feel that it's a very clear charge. They believe it's lacking in the adjudication across between the advisory committee to staff, Executive Staff, and on to the Board. That was their suggestion and then the committee can provide the Board with more information on what they're doing throughout the year. That gives the Board the ability to ask questions when property come before them. Then it only has a short one-paragraph recommendation from them. They want to be available to the Board to answer more specific questions on that property and why they see it as a great natural area.

E. BOARD ACTION ITEMS

- 3. Appoint new members to the Natural Areas Program Advisory Committee (NAPAC)**– The committee recommends that the following four individuals be appointed to fill the vacancies on NAPAC: Larry Laing and Theresa Pinto to each serve three-year terms; and Patty West and H. Jeffrey J. Gawad to each serve two-year terms beginning January 1, 2009.

Board Action

Mr. Colton: I move that Larry Laing and Theresa Pinto be appointed to NAPAC for a three-year term each and that Patty West and H. Jeffrey J. Gawad be appointed to NAPAC to serve a two-year term each, with all terms beginning on January 1, 2009.

Mr. Woodling seconded the motion. The motion carried unanimously.

Chairman Scalzo thanked NAPAC and Mr. Hare for his presentation. He noted that this is a very talented group of people and noted that the Board could not afford to pay for their services.

F. ANNUAL REPORTS FROM ADVISORY COMMITTEES

5. Off Highway Vehicle Advisory Group

Mr. Drew John, Vice Chairman of the Off-Highway Vehicle Advisory Group (OHVAG) addressed the Board. He noted that Ms. Rebecca Antle was present to assist in their

slide presentation. He distributed a book entitled *Management Guidelines for OHV Recreation* by Tom M. Crimmins.

Mr. John reported that the OHVAG consists of seven members: five OHV members, one sportsman, and one citizen-at-large. He noted that, under the direction of the Parks Board, they appointed a sportsman in the position of one of the citizen-at-large members.

Mr. John noted that OHVAG advises ASP Board and makes recommendations on two programs: the RTP program (Recreation Trails Program) that is federally funded and the OHV Recreation Fund which is derived from our state fuel tax. The OHV program was established in 1991. This program is used to fund the partnership agreements we have with special OHV projects.

Mr. John reported that OHVAG met in early November and are recommending two candidates to fill vacancies on their advisory group. One is from the OHV community and the other represents the sportsmen group. Mr. Hank Rogers reapplied for a second term and is a member of the OHV community. They had two candidates from the sportsmen's community. Both were very capable candidates. The recommended candidate belongs to three large sportsmen's groups and is a paraplegic who is still very active in hunting and very active in off-road activities. He brings a unique perspective on how to serve handicapped people who want to go out and see the country and do things. This person gets out a lot. He gets out on his ATV; he gets out in his Jeep; he has a special permit to hunt from his vehicle and his ATV; and he travels around a great deal. The recommendation was unanimous on this candidate because of the unique perspective he will bring to OHVAG.

Ms. Rebecca Antle addressed the Board and discussed the competitive grants process. OHVAG has a member who goes out with the rating team and evaluates the competitive grants applications that come to OHVAG. Some of the projects have included route rehabilitation, road signing, and route inventory that they've done for the Forest Service throughout the state. Since 2007 their fund has lost \$6M in legislative sweeps. Since 2004 almost \$700,000 has gone to Arizona parks for non-OHV purposes to offset the state budget. All of that money comes out of their grant process. She referred to the slide presentation and discussed route evaluations. They take a route and discuss what uses it has and what value it has for off-highway use or non off-highway use.

Ms. Antle reported that several years ago they started a small projects program that includes trail maintenance, route signing, erosion control, etc. OHVAG is working to develop a "one stop shop" website where people can go for information for maps, where to ride, where not to ride, and rules and regulations. They have a conference between motorized and non-motorized. OHVAG supports statewide education. This is a chance to go out and educate the public on what they need to know, where they can ride, where they can't ride, and safety regulations.

Mr. John stated that OHVAG feels that education will be key, especially with the new state law that was signed into effect last Wednesday by the Governor. Education can be very important and OHVAG feel that, just like anything else, education needs to start right at the base. They began some pilot programs that start at the dealers who sell the ATVs and off-highway vehicles to educate them and to educate the buyers on the product. It's not an easy process. He owns a Suzuki dealership in Safford. He has a

broad perspective. He's also a County Supervisor for Graham County. They have always felt it's an important program. They've worked with the AZ Power Sports Industry Association and that group has helped put programs together. The staff have work very well on that.

Mr. John discussed the OHV legislation. It goes into effect on January 1, 2009. Education will play a key role. The problem they are having is that those who are in charge of education – Game and Fish and ASP – have budget problems that are creating a shortfall until some of this money starts coming in. The education process has fallen back on a lot of locals. He and Mr. Rogers will conduct a seminar on December 10 to educate their public. They will also go up to Apache County and do the same thing. Ms. Antle will be doing something similar in Pima and Pinal Counties. Game and Fish and ASP are assisting with some of the presentations they are putting together. This will be a key factor in making this work. He looks at budgets all the time. What he likes about this is that it's a self-funded program.

Mr. John discussed the Ambassador Program. It has turned out to be an excellent program. They work with the local law enforcement officers. The program is made up of volunteers who are out there. Because of the budget restraints, OHVAG and the Board's support staff put this program together. These people are actually out there riding. They hope that now that there is legislation they have something they can enforce and educate those people.

Mr. John reported that between 1998 and 2006 ATCs and ATVs have increased 347%. That is a gigantic increase. With every entity, things come up and there's never any money to follow-up or take care of it. The most current statistics they have that 30% of motorized users (1.4 million in AZ) – 13% are core users (596,000 – those who go out 1-5 times a month). That particular increase since 2005 has increased by 7%. AZ is a place where people like to go outdoors and enjoy themselves.

Mr. Woodling noted that it is hard to believe that almost 10% of the state's population are core users.

Ms. Westerhausen asked if we know whether any of our legislators are OHV users.

Mr. John responded affirmatively. He believes that Jerry Weirs was instrumental in putting this grant together.

Mr. Colton asked if he was reading the slide correctly – 30% motorized vs. 70% non-motorized users on our trails.

Ms. Antle responded affirmatively and added that non-motorized would include equestrian, hikers, etc. Motorized would include quads, ATVs, etc. She added that OHVAG will be back before the Board next year with a draft plan. The numbers on the slide are just preliminary.

Chairman Scalzo stated that what OHVAG's report points out and from calls he's received and comments from other members of the Board, it's become obvious to him that the Board is going to have to get very serious about how to deal with the new funding and legislation. The Board has talked about bringing all affected parties in to the January meeting – agencies such as the Forest Service, Game and Fish, and advisory groups, etc. He set up an ad hoc committee with Ms. Westerhausen as Chairwoman to take a look at this and before the January meeting meet and conduct more research

with her committee and other groups so that the Board can have a serious discussion in January on how we approach this new funding and the legislation. He stated that, as a result, he was asking that the Board forestall until that meeting the appointment of new members – not because the Board doesn't want these nominees, but that we need to at least talk about these procedures and what the advisory group will help the Board with in the future. This is the only group in the agency that has something really dramatic affecting what the Board will be funding.

Ms. Westerhausen accepted the role of Chairwoman of the above-named ad hoc committee. She requested that the Board hear from anyone wishing to speak on the nominees. She will be looking for all aspects of the OHVAG community to contact her to have a representative on the ad hoc committee. She grew up in a non-motorized vehicle family – archers, riflemen, etc. – so they will be educating her on these issues as well. She is also very interested in hearing about things discussed earlier – trails restoration and other conservation uses. She'd like to hear from the sportsmen's community – everyone who has a stake in this to give her a representative for the ad hoc committee.

Mr. John suggested that once Ms. Westerhausen decides how many people she wants on her committee that she inform staff so they can send E-mails out to the appropriate groups.

Mr. John stated he wished to speak to the issue of the nominees to fill vacancies on OHVAG. Particularly with the handicapped nominee, it may be very informative for OHVAG because he's been involved with this for more than five years and this is the first handicapped individual they've actually had step up who could help guide them in the right direction on things. There may be things in the granting process that might be important for the January meeting.

Chairman Scalzo responded that it has nothing to do with that individual. As he understands it, everyone on the OHVAG would continue to serve until the Board appoints people to fill the vacancies. He doesn't think it will affect the business-at-hand by January. There will be more discussions. There have been numerous discussions on OHVAG's size and its make-up. What the Board is really trying to do is see how this legislation impacts us generally and make sure everyone is at the table. We need to be coordinating with those who will be affected and ensure that everyone gets the same information.

Ms. Westerhausen asked who, once the ad hoc committee is formed, she should contact to get more of the books that were distributed earlier.

Ms. Antle responded that there is good information in the book on why we have some of the issues we have.

Mr. John added that this will be an interesting funding program because it will develop a lot of money. The transition will be difficult. The amount of money this can develop will be a good-sized amount. The problem everyone worries about is if we develop that amount it could be swept. When this ad hoc committee meets, it may be a good idea to formulate a way that the money does not sit there too long.

Chairman Scalzo noted he had a request to speak from Mr. Brad Powell, AZ Wildlife Federation/Trout Unlimited.

Mr. Powell stated that he did not have much to say today because of the action the Board just proposed concerning appointment to OHVAG. He is not here to speak on behalf of any of the candidates for OHVAG. He did enjoy the presentation just given. He believes that we have a new opportunity with the new legislation to take a look at how that changes and expands the funding as well as the role and responsibility of ASP in administering that program. He and the groups he represents fully endorse the Board's efforts to take a look at that policy. They would like to be engaged with the Board as they do that and help shape the Board's new policy in managing OHVs from ASP's perspective and OHVAG's role in how they will be composed and how they will operate in the future. They fully support the ad hoc committee the Chairman just formed and would like to be engaged with Ms. Westerhausen and others as the Board starts to figure out what that policy will look like. It's a great opportunity with this new, hopeful funding that won't be swept, to make a real market change in the way we manage OHVs throughout the state.

Chairman Scalzo thanked Mr. Powell for coming to this meeting and expressing his concerns.

E. BOARD ACTION ITEMS

- 4. Appoint new members to the Off Highway Vehicle Advisory Group (OHVAG) – The committee recommends that the following two individuals be appointed to fill the vacancies on OHVAG: R. Hank Rogers and David L. Moore and that they each serve a three-year term beginning January 1, 2009.**

No action was taken.

F. ANNUAL REPORTS FROM ADVISORY COMMITTEES

6. Arizona State Committee on Trails

Ms. Maureen DeCindis, incoming Chairman for the Arizona State Committee on Trails (ASCOT) addressed the Board. Their Mission is to promote the State Trails program for non-motorized trails opportunities. They have 15 members and are comprised of a broad range of equestrians, mountain bikers, hikers, government representatives and citizens-at-large. They have four subcommittees: historic preservation, state trails nominating, public outreach, and education. They meet four times a year around the state. They meet with local groups at each meeting to hear their issues and understand what's going on around the state. As part of their activities, they review and recommend the state trails plan nominations annually; they provide a liaison to the Trails Heritage and Fund Review Committee; and, obviously just like the other advisory committees, they help write grant priorities, policies, and expenditures.

Ms. DeCindis added that they do a lot of education. They've done trails conferences where, like OHVAG, they bring in all of their users. In 1998 they sponsored the National Trails Symposium in Tucson. They did a statewide photo contest.

Ms. DeCindis reported that the Arizona Trail was established in 1985 and ASCOT helped form the Arizona Trails Association. ASCOT works with ASP on their on their State Trails Plan. They have produces several publications, one of which was the Public Trails Access Manual.

Ms. DeCindis thanked the ASP Board and the staff for their support. We're all connected; we all work together. She gave a special thanks to the ASP staff.

Chairman Scalzo thanked Ms. DeCindis for her presentation and noted that her committee has great people who give great time and effort .

E. BOARD ACTION ITEMS

- 5. Appoint new members to the Arizona State Committee on Trails (ASCOT) –**
The committee recommends that the following six individuals be appointed to fill the vacancies on ASCOT: Mary McCullen, Kent Taylor, Tom Fitzgerald, Bruce Weidenhamer, and Daye Halling each to serve terms of up to three years; and Brian Grube to serve a two-year term.

Board Action

Mr. Woodling: I move that the Arizona State Parks Board appoint the following six individuals be appointed to fill the vacancies on the Arizona State Committee on Trails: Mary McCullen, Kent Taylor, Tom Fitzgerald, Bruce Weidenhamer, and Daye Halling each to serve terms of up to three years; and Brian Grube to serve a two-year term.

Mr. Landry seconded the motion and the motion carried unanimously.

Chairman Scalzo called for a Recess at 12:30 p.m.

Chairman Scalzo Reconvened the meeting at 12:40 p.m.

- 6. Participate in a partnership to conserve, manage and potentially acquire the Sonoita Creek Ranch Natural Area for the protection and conservation of Riparian areas and species –** Staff recommends that the Board authorize the Executive Director or his designee explore the conservation, management and possible acquisition of Sonoita Creek Ranch located between Highway 82 and the Coronado National Forest in Santa Cruz County.

Mr. Ream reported that this issue was brought to staff by NAPAC. NAPAC will give the Board all the details on this property. They will also provide pictures of the property so the Board can get a visual idea of what the property looks like. Staff are asking the Board, as staff, to continue pursuit of this partnership. There are a couple of exciting ways to purchase this property that would not require a lot of money from ASP.

Chairman Scalzo noted that we are not talking about authorization to go out and buy this property today. This is purely a discussion. There will be more input from the NAPAC.

Mr. Ream reported that Mr. Sheridan Stone is present with a presentation to the Board.

Mr. Stone, Co-Chairman of NAPAC addressed the Board. He noted that there is information in the Board Packet that includes a couple of maps. Sonoita Creek Ranch sits right along Sonoita Creek halfway between Sonoita Creek and Patagonia Lake. It is a contiguous parcel. The terrain on the east is uplands. The ranch covers the bottom land over to the creek, beyond the creek, and up to State Highway 82. It is about 5 miles from Patagonia Lake State Park and Sonoita Creek State Natural Area. The current owner is Danny Hubbell and his partner David Parsons, developers out of New Mexico. The property is managed by Danny Hubbell's brother, Sam Hubbell, who is a realtor with a real estate office in Sonoita. The property is listed at just under \$8,000 per acre according to an independent appraisal in July 2007 for 6,400 acres. There is no

federal appraisal. That federal appraisal is only required by ASP and the AZ Game and Fish Department. A little over 1,100 _____ed acres, a large amount of acre-feet of water rights. The water is used for irrigation of pastureland in the bottom valley. There is a 5-acre home-site. The infrastructure there is concentrated on the northwest just a couple hundred feet off Highway 82. There are two man-made ponds that hold the water coming down from Monkey Springs so that 588 acre feet of water rights comes from Monkey Springs to a blind ditch into a couple of ponds that hold that water.

Chairman Scalzo asked where the initiation of that source of water is.

Mr. Stone responded that it is out of the Real X Ranch. It is private land.

Mr. Ream added that the property has 75% of the water rights. Monkey Springs is supposed to be an amazing geologic/hydrologic/biologic feature.

Mr. Stone reported that the neighbor to the right is Coronado National Forest. To the lower left is the Three Canyons Development. To the south is a subdivision that's been on the market for the last couple of years. Six of those lots are sold. Downstream, south of the parcel, are some individual lots; six of them have been sold to date.

Mr. Woodling asked if any of those lots have been developed.

Ms. Roberts responded negatively.

Mr. Stone discussed where things stand now. There is a good range of partners interested in that property, with ASP being an assumed partner in a leadership role. The partners include public agencies, private entities (local, regional, land trusts, nationwide land conservation, land trust organizations), and local landowners. The C6 Ranch is owned by the Collins'. They have the grazing lease on the adjacent Forest Service land to the east of the parcel. The partners' interest has been identified and articulated well. The partners have shown no incompatibility or conflicts.

Mr. Stone stated the natural areas values diverse. The availability and control of water rights are of strong interest to all of the partners. Public access and ranching are not incompatible and the manageability of those public accesses are straightforward in terms of being able to plan and manage them.

Mr. Stone referred to a slide that discussed funding. He noted that the possibilities and the challenges are also well known. The potential funding is mostly just that based on identified sources of agency funding sources and grant opportunities as well as private money that could be used as a match. The list of possibilities and challenges illustrates the creativity and adaptiveness of the partners in adapting to economic conditions and changing budget conditions.

Mr. Stone reported that the one theme or goal that all the partners had their eyes on is that this is a high-value conservation property.

Mr. Stone noted that NAPAC has provided a recommendation to the Board that is included in the packet. That recommendation is supported by the site visit, the evaluation of what they saw, and other information they obtained that led NAPAC to have a unanimous vote that this is a highly valuable parcel for natural area conservation. The motion they are making to the Board is based on a strong sense of ecological values, the current conditions of the land we'd be working with, and a high

potential for conservation management. These watershed values will enable an effective conservation management for all of the land within the parcel – uplands, bottom lands, riparian, and aquatic. The existing hydrology and significant water rights will make possible a tremendous potential for rehabilitation and sustainability for conservation of natural area values. Their motion also includes the recommendation that all Heritage Fund money for acquisition over the next two fiscal years be set-aside and accumulated for ASP to continue to provide a strong leadership in conserving that land and that it be used for acquisition and conservation of the Sonoita Creek Ranch along with that partnership. The partnership will be open to new partners coming in, and include close coordination in acquiring, planning, or implementing management.

Mr. Stone concluded by stating that the partners are knee-deep in identifying funding, when it would be available, and how to get matches. That goal that everyone keeps in mind and seems to be driving the partners is that great sense of this being a high return on the investment. The condition of the land and the water rights has tremendous value for the investment or serving habitat species, rehabilitating and having sustainable landscape that could optimize conservation on public land around that area and within that part of the watershed. Protecting this land for natural areas for the people of Arizona and for all the identified interests as partners is certainly doable and well-worthwhile for our effort to do that.

Mr. Woodling noted that he attended NAPAC's meeting in Tucson where some of this was discussed. He asked if the development to the south has the water rights to Monkey Springs or future development of homes and ranchettes. He noted that in NAPAC's recommendation to the Board rehabilitation of certain areas are mentioned. He asked if there's been any degradation to those areas or are they in good shape. He is concerned about the word "rehabilitation".

Mr. Stone responded that he doesn't know the answer to the question dealing with water rights to those lots downstream to the south. It has not been mentioned. He doesn't think the ditch goes down that far.

Mr. Woodling pointed out that that development to the south may have water rights ahead of those that this property has.

Ms. Roberts responded that staff will check it out. From the information from the partnership at the meeting, the water coming out of Monkey Springs is diverted through the ditch onto the property of interest. The ditch does not go down any further and those are guaranteed water rights. The senior water rights are with Monkey Springs.

Mr. Woodling noted that Mr. Ream mentioned 75% of the water rights.

Ms. Roberts agreed and stated that the rest of those water rights remain on the property the springs are located on.

Mr. Stone added that the Real X Ranch and the Sonoita Creek Ranch have all of the water rights.

Mr. Ream noted that that was staff's understanding as well. He believed the development were using wells. Staff will look into it.

Mr. Stone agreed that water rights in the whole area is important. Sonoita Creek Ranch is a part of protecting the watershed and the hydrology. In answer to the question

regarding rehabilitation, he explained that rehabilitation is a lower grade of “tweaking” to maintain processes that one wants to landscape. Restoration would be more involved and less likely to be successful. Rehabilitation means that once one has goal and objective one figures out what needs to be done and does nothing more than that.

Mr. Woodling asked if the Board partners with these various other groups, will this rehabilitation prevent people from hiking on this land and doing things on this land.

Mr. Stone responded negatively. He stated that there is no inherent incompatibility to be seen for public access onto the property.

Mr. Ream added that, much like the Sonoita Creek Natural Area that the Board is running now, the amount of people who could go through on a daily basis would be limited. He noted that this is a partnership, it is not determined how much authority ASP would hold over this property. If it were a small percentage, those questions would come from the partnership. He believes it would be beneficial to continue the cattle ranching operation there with Mr. Collins. That would have to be considered as well.

Mr. Colton noted that this whole area is important. He has never seen this property. He would like to be able to get onto the property. He knows that a historic railroad washed out in the area and asked whether it went onto this property and whether there is any evidence of it on this property.

Mr. Ream responded affirmatively.

Ms. Roberts added that it was not fully evident when they did the site evaluation because it has been used as a ranching property; there is development on it (electricity, gas lines, est.). She, personally, did not see the rail lines but she knows it’s there.

Mr. Colton noted that acquisition is one thing; acquisition without some sort of endowment for some kind of management makes no sense to him. He asked if that was discussed.

Mr. Stone responded that the discussion was more as to whether it would be better for that property to be under public ownership or private ownership with a conservation easement over it in order to get funding. They feel it would be better to be public land. If public dollars and grants can swing the acquisition private money might be put into an account. The flexibility of private dollars might be best in investing in management of the land.

Ms. Westerhausen asked if there is any part of the creek on the property.

Mr. Stone responded that the entire cross section of the creek was in the ranch. He understands that the boundary of State Highway 82 is to the left of the creek and that’s the western boundary.

Ms. Westerhausen asked if NAPAC is looking at any other properties that are riparian properties like this that the Board should be aware of before making decisions on Sonoita Creek so the Board can comparison shop.

Mr. Stone responded that the Verde River Greenway has riparian areas like this.

Mr. Ream stated that the agency has an extensive acquisitions list. It is not a document that he likes to bring out in public very often because people don’t like to see their property on an acquisitions list for ASP. Most of our properties are properties that are

privately owned. He would glad to share that at a future meeting with the Board. While it's a public record, he doesn't like to leave it lying around.

Ms. Westerhausen responded that she understood that. She's not sure how the Board goes about thinking about future acquisitions the Board might want to make as we're spending today's dollars so that when something great like this comes along again and we don't have any money for it because we've already spent it all.

Mr. Ream suggested that, by sharing that list as a rule every January, the Board can see if it's grown or if it's not. The Board's action today would have staff research this property and possibly add it to the acquisitions list. Staff would pursue either a partnership or ownership or whatever this Board determines.

Mr. Travous noted that there are two different motions for the Board to consider: one that NAPAC is proposing and one that staff are proposing. NAPAC's proposal is that the Board go out and take the full leadership role. That tells him that they want the Board, with all speed, go out and buy the property. Staff backed off from that and staff's motion said we'll review the property and put it into the acquisitions list with all of the other properties we have and then bring it back to the Board and see how it compares to the other things the Board could be spending money on. He noted that staff received communication this morning that we are to suspend all efforts on that money until they figure out what's happening with the state's budget.

Mr. Landry left the meeting at this point (1:10 p.m.).

Chairman Scalzo asked Mr. Travous what action he would recommend the Board take.

Mr. Travous responded that, with AORCC, if there's a difference between what AORCC wants and what staff wants, we hammer it out beforehand and we both know and come to the Board and state that there is a difference of opinion and ask the Board to direct staff what to do. Staff do not have that protocol with NAPAC. Staff have a different motion from NAPAC. NAPAC'S motion tells the Board to tell staff to be the lead with this partnership. Staff are saying they don't believe we are in a position to be the lead; staff have more questions they want to ask as staff before taking that step. He has not had a chance to really dive into it as much as Mr. Ream and has a lot of questions he wants answered before he would be comfortable in taking a leadership role. He noted that Jean Hassell, a former State Land Commissioner, told him that the only way to get a good deal is to be willing to walk away from it. He would not like a motion that directs him to go out and buy something and then start negotiating. It sends the wrong message.

Chairman Scalzo asked if the Board needs to take action today or should they wait until January.

Mr. Ream responded that his reason for putting the staff motion in the packet is because the Board's advisory committee made a strong motion to the Board to take some sort of action. It is certainly the pleasure of the Board whether or not they want to take this action to support the advisory committee in their motion so staff can continue meeting with the partners in talking about how this property might be conserved.

Ms. Roberts stated that NAPAC felt very strongly about taking a full lead in our participation and partnership. In subsequent discussions with staff, they discussed what

that term meant. They came to the decision that they believe it's a very good piece of property that fits the statutes for state natural areas. We have a participation opportunity with the private sector, public sector, local communities, and if we are able to contribute dollars from the Natural Areas money it makes sense to do so. Given that we have other properties on the project list, NAPAC want to go through a prioritization for ecological values and then present that back to the Executive Staff to know where it sits respective of the science and then present it back to the Board. NAPAC would like, as a committee, to stay involved with it. It has high conservation value; it is what their charge is to this agency.

Mr. Travous noted that this is why we need a protocol. He understands what that motion says. He doesn't believe that, by staff's motion, anyone is saying we're walking away from it. What staff is saying is to let staff go and take a look at it. It's not just the biological things that are part of this. Part of this is that it's 20 miles from anything we own. Part of it is that it takes the Forest Service years to come up with an appraisal before they come up with any money. We can't come up with the \$9M it's appraised at now or in 3 years. There are people who own the land who are part of one of the groups who are we are supposed to partner with. That makes it awkward. There is a whole host of things that really need to be taken under consideration.

Chairman Scalzo asked if the Board wished to make a motion.

Mr. Woodling stated that he read the recommended staff motion and doesn't see anything negative in it. All we're doing is exploring this as a possibility to acquire or work with a conservation easement or however we acquire it. He believes it needs protection, but he likes staff's recommendation over NAPAC's recommendation. He believes that staff has recommended the proper way to explore .

Board Action

Mr. Woodling: I move that the Arizona State Parks Board authorize the Executive Director or his designee explore the conservation, management and potential acquisition of Sonoita Creek Ranch located between Highway 82 and the Coronado National Forest in Santa Cruz County.

Ms. Westerhausen seconded the motion.

Ms. Westerhausen noted that this property sounds incredibly exciting and that she would hope to be able to visit it herself. She feels that's an important part of the Board's decision-making.

Ms. Roberts responded that in the past, when NAPAC went out to make evaluations, some Board members were part of those evaluation site visits over multiple periods of time. NAPAC welcomes that participation. She will work with Mr. Ream and the real estate managers to see when she can schedule an on-site visit.

Mr. Colton stated that he was looking at the language in the two motions. The reality is that if the Board is going to do something we can make it work within the staff's recommendation.

Chairman Scalzo called for a vote on the motion on the floor. The motion carried unanimously 5-0.

7. **Fees** – Staff recommends that the Arizona State Parks Board adopt the Fee changes as presented by staff to take effect January 1, 2009 and allow the staff to proceed with public notification of said changes.

Chairman Scalzo reported that the Board received an extensive presentation in their packets. There was a lot of work put into this recommendation.

Mr. Ream reported that staff began working on this presentation right after they made the recommendation in September as to how they would do them next time. Staff have a strategy whereby all Park Managers are being brought in to discuss fees and do it strategically using the philosophy he provided for the Board. Staff have already begun working on the next round of fees. He noted that most of the changes reflect modest changes to provide consistency among the parks. Some just raise the maximum to the same numbers (\$30). They're doing that because the website manager wanted it. He didn't want this jumble of different fees on the website because it clutters it up. One concession from the Webmaster is that if someone wants to know the fees for Roper State Park, it goes directly to Roper and gives the fees.

Mr. Ream noted that staff are very happy with GRRC (Governor's Regulatory Review Council). They allowed us to have ranges. That spot right next to the water is more valuable than that spot away from the water. This is one of the things staff were able to get through GRRC. It also allows the Director or his designee (Mr. Ream) to lower fees as part of a promotional event. This is something the agency has done successfully during slow seasons. There is a RAM (Research and Marketing) program that is tracking visitation and they are allowing us to lower fees and raise fees to support visitation.

Mr. Ream noted that there is also the dropping of the seasonal fees. No one expected them so they were perfectly willing to pay the full fee whether it was on-season or off-season. The managers at the parks requested this.

Mr. Ream added that included in the packet is the fee philosophy. It's really a cost recovery philosophy. It takes those things we have the most money involved in, not the basic get in the park and walk around and picnic. We've tried to keep those at a minimum. It's those extra things like cabins. They are not necessary for camping. Staff tried to charge a premium for cabins above cost recovery. They are paying off the cost of the subsidized part of what we do (picnicking, hiking, etc.). The cabins are economic engines and have been very popular. Fees were raised for cabins at Roper Lake because staff didn't think they'd be very popular. They are sold out. They are not available for weekends. They decided to bring their fees consistent with the other cabins in the agency.

Chairman Scalzo stated that he enjoyed reading the citizens' reviews, fee philosophy, and cost recovery policy. It seems that we still have a majority that support the idea that fees pay a portion of what we do. As long as we still have that support, it makes sense to continue. He believes that people understand that better and better in this country today than ever. In a foreign country, one pays for everything, including their bathrooms.

Board Action

Mr. Woodling: I move that Arizona State Parks Board adopt the fees changes as presented by staff to take effect January 1, 2009 and allow staff to proceed with public notification of said changes.

Mr. Cordasco seconded the motion. The motion carried unanimously (4-0) with Ms. Westerhausen out of the room.

8. Selection of Recruitment Services From ADOA or Outside Professional Firm for Recruitment of New Executive Director

Chairman Scalzo noted that the Board has looked at the option of using the ADOA or a professional firm for the recruitment of a new Executive Director for the agency. This morning the Board heard a bit on that issue and this issue is now open for discussion.

Mr. Travous stated that, after hearing this morning's presentation, he believes Ms. Laurence is wrong. It might be wise to get the Governor and some of her staff involved in some way – that's up to the Board. The fact of the matter is that the statutes, as he understands them, are pretty clear. The Board can do what they want when they want to do it. It's politics more than law that will determine how the Board want to go about the recruitment process when it comes to dealing with the Governor.

Mr. Woodling noted that when he and Mr. Travous met earlier this month Mr. Travous gave him a paper that said if the Executive Director is at a certain level in the pay range the Governor needs to approve that particular level.

Chairman Scalzo responded that that document deals with a job classification.

Mr. Travous added that it doesn't necessarily deal with ASP.

Mr. Woodling noted that the document was from Jeanette Hall. It says that if your agency is appointing anyone from grades 23 to 24 it must be reported to the Governor. The Governor's approval is not needed. However, if an agency is hiring, promoting, or appointing anybody in grade 25 pay levels or above, including SRC5s or E Band the Governor's approval is required besides reporting prior to making an offer.

Mr. Travous responded that that document was sent out as a blanket memorandum because they cannot accommodate all of the nuances of state law. That memorandum was sent out to all agency directors. Requiring the Governor's approval for E Band (the classification he's in) is her policy. He submitted his paperwork, as the Board requested, to begin the process of finding his replacement.

Mr. Carpenter, Assistant Attorney General, added that it's important to keep in mind that of the 150 agency directors and department heads, the Governor appoints well over half a dozen. Those people report to her. She hires them. This is similar to ADOA saying that their recruitment is the same thing. They primarily recruit for the Governor, so they have their blanket policies in place. The Governor will have the legal authority to make those decisions on most of those positions. However, when it comes to Commissions and Boards, the Governor does not have the authority to make those decisions. Those are policies that simply are in place for normal hiring processes. Jeanette Hall, who is the HR manager for ASP may have put the memorandum out. She's getting the policy from ADOA. HR people get their marching orders from ADOA. They are not really thinking about the legal aspects.

Mr. Woodling asked if that means that this memorandum does not really apply to the Board and that the Board does not need to get the Governor's prior approval in order to make an offer.

Mr. Carpenter responded that the Board does not legally need to do that. The AG's Office does not need to do that, either. As a matter of practice, the AG's Office honors the Governor's hiring freeze when they are not legally required to. They go to ADOA to get positions unfrozen when, constitutionally, they are not legally required to. Those are questions that are more political than legal.

Mr. Cordasco asked if ADOA is really a function of the Governor's Office to hire and fill positions that the Governor is looking for, that suggests to him there are resources they can provide those are now mixing into another form of authority and things such as travel expenses may not be as freely given as they might be if the Governor was involved.

Chairman Scalzo responded that he would hope that's not the case. He can't believe that whoever the Governor may be would not be the best and finest people available. He believes that the problem is whether there's money available.

Mr. Cordasco asked if ADOA handles the recruitment process for ASP, is there a process they have to follow that includes the Governor.

Mr. Carpenter responded that he believes that they would not have a legal process; rather, they probably have an internal process that they utilize. The Executive Hiring department is under Bill Bell, Director of ADOA. He noted that ADOA is tasked, by statute, to provide services to all agencies. They do not discriminate among agencies. They support agencies that don't work directly for the Governor. He believes that this is something where their policy is not legally required. It may be something where the Board tells them they are not interested in having ADOA do. Or, it could be something where they do it, but the Board doesn't have to accept any of their recommendations. The Governor's Office knows who they're hiring and who the Board is hiring. If it did come back and ADOA says they changed something, the Board can change it back. It's the Board's call.

Ms. Hernbrode noted that Ms. Laurence had left her phone number and asked if the Board would like to speak with Ms. Laurence at this time.

Chairman Scalzo responded that the Board needs to make a decision on this today.

Mr. Woodling noted that the agency is in a money crunch. It affects all of the Board's decisions; it affects staff's recommendations to the Board. He feels that if we have the ADOA here and they're willing to work with the Board, there is no need to go out and hire a firm to find someone out of sight. He believes all the expertise is all here; the Board needs to be on top of it; and be sure that they don't go off in an area the Board is not comfortable with. He recommended, with the money crunch, that the Board not look for an outside recruiting agency to hire someone.

Mr. Colton concurred with Mr. Woodling's comments.

Mr. Cordasco responded that the Board members probably agree with that. He wanted to be sure that the Board talks about the other side as well. He asked what the advantages would be to not go with ADOA. He's not sure he knows what they are. He doesn't know that he knows what the negatives are, either, outside the potential

costs. He doesn't know what costs we're talking about. One positive thing might be that because everybody within the state (and nationally as well) has budget cuts on their minds; how they're going to survive; how their departments are going to survive. It's got to be part of the culture right now. If we're hiring in a situation where we have no money to another place where the concern is having no money, perhaps someone from the outside could maintain some freshness to stay creative, and stay more focused on the long-term.

Chairman Scalzo noted that he's used outside professional recruitment teams for the selection of directors and others who reported to him. There are both pros and cons about how good they were. They also had the County recruitment staff do it. They all advertise the same way. They get it out through the national journals, put it on their web page, etc. The difference with professional search groups is that they tend to have people in their pipeline. In this particular market, he doesn't believe it's going to be of much help to the Board. He thinks the Board will find the people if they want the job and they'll come forth. They do a different kind of reference check in that they check heavily into the individuals' financial situation and into little things like tickets for driving under the influence. These are things that are not always done by government as a normal process.

Mr. Colton noted that he gets contacted several times a year by someone who says they are looking for someone for a certain job and ask if he knows of anyone. That's the professional recruiter. Given that the Board has a subcommittee to oversee this process and give that the subcommittee has been through these various hiring processes before, he's not that concerned. The subcommittee is providing oversight to the Board.

Mr. Travous reported that he has let the National Association of State Parks Directors (NASPD) know that he is retiring. The National Recreational Parks Association (NRPA) has their own network. There's where the Board will get 75% of their candidates from. He noted that most of them will be recreational professionals; the Board will have to worry about the unusual candidates.

Ms. Westerhausen stated that, out of consideration for our sister agency, the Board has to at least give them a chance.

Chairman Scalzo asked if there is a motion to use ADOA Executive Recruitment group to handle this recruitment.

Board Action

Mr. Colton: I move that the Arizona State Parks Board use the Arizona Department of Administration Executive Recruitment group to handle the recruitment a new Arizona State Parks Executive Director.

Mr. Woodling seconded the motion. The motion carried unanimously (5-0).

9. Direction to Executive Director's Hiring Subcommittee on Recruitment Process

Ms. Hachtel reported that she looked through some of the old Parks Board Minutes where Ms. Laurence was explaining the process to the Board. Subsequently, the Board decided that a subcommittee was a good idea. It was created at that point. When she read through the Minutes, she didn't see any real clear direction for going forward. She

believes it would be helpful for the Board to delineate the subcommittee's responsibilities. For instance, are there any particular deadlines for this subcommittee to meet. Perhaps that needs to come after ADOA starts the process. It was also unclear whether the subcommittee would take a "first stab" at the applications or if ADOA review the hundreds and hundreds of applications that will come in. Will ADOA make the first-cut and the subcommittee make second-cut and provide a certain number of candidates for the Board to interview. Mr. Carpenter has probably had some experience with this, too, but there are some things to think about – whether the Board wants to define those at this meeting. It might be helpful for subcommittees going forward to hash these things out.

Mr. Cordasco noted that Ms. Laurence stated that the first step was to put the qualifications together in the form of the PDQ. They may have a way of reorganizing the job description. Then Ms. Laurence would post it on the AZ State Jobs website and industry areas and at that time a date would be established to review the applications. After that, there would be a meeting with the search committee to prescreen. Then they would follow through with going through the ones that seem to be of interest. They would go through those to review some of the questions the Board was asking about earlier. They would then set up the interviews and selections.

Ms. Hachtel asked, if there are 20 people who look really good, does the Board want to interview 20 people or narrow it down and let the subcommittee interview them or let ADOA interview them and narrow it down to 7.

Chairman Scalzo responded that he would hope that ADOA could receive all of the applications, review them according to the criteria of the job description and the statutes of this state and come up with those who meet that criteria – whether it's 20, 15, or 50. He would hope that the subcommittee could review that group and determine if there is a manageable number to consider for an interview. He would hope that number would not exceed 10-15. That's a lot of people to interview. The subcommittee would then hone that number down to a group no greater than 5 and, preferable, in the range of 3 for the entire Board to review. Prior to that, the subcommittee could have a discussion with the Board about the dozen or so candidates they interviewed and why some were short-listed along with an ADOA staff person who could discuss it. The subcommittee will count on Mr. Travous to help them in that process. The subcommittee will need as much input on these candidates as possible. He thinks the subcommittee also needs to look at the questions that will be asked. There are routine questions of management and there will be specific questions. If any Board members have specific questions they'd like the subcommittee to look at, put them into the mix and the subcommittee will hone it down so there's a manageable number of questions. They won't ask 25 questions; most people are burned out after 10-12 questions.

Mr. Colton stated that he liked everything the Chairman said. When it gets to the questions part, rather than each Board member submitting the questions, he like to have a discussion about, not the wording of the questions, what each Board member wants raised in the questions. The reason he'd like to do it in a discussion is because Mr. Cordasco might say something that will trigger something in his head.

Chairman Scalzo stated that at the January Board meeting the Board could sit down in Executive Session and have that discussion.

Ms. Hachtel responded affirmatively.

Chairman Scalzo noted that ADOA will give the subcommittee format questions. He would hope by January this position will have been posted. The questions can be defined prior to the interviews.

Mr. Travous asked if the Chairman would like him to find out from Ms. Laurence if they have to include the Governor in their process.

Chairman Scalzo stated he would appreciate that.

Ms. Hachtel asked if the PDQ is the basis for the job description for the advertisement.

Mr. Travous responded affirmatively.

Ms. Hachtel asked if they were providing comments to Mr. Travous.

Mr. Travous responded affirmatively and that he has been making changes. The new version is in the Board Packet.

Mr. Carpenter noted that in the document is says, " exempt from civil service," and noted that we don't use that term in Arizona. The position "is not covered by State personnel rules".

A phone call was then placed to Ms. Laurence for clarification on what she said earlier this morning.

Ms. Laurence asked if the Board was ready for her to come back.

Mr. Travous responded that that wasn't necessary at that time, and that the Board called to ask her a question. He asked, to the best of her knowledge, if ADOA does the recruitment are they required by statute or by policy that the Governor has to be the approval authority or have some role in that final process.

Ms. Laurence responded that they have some role. For instance, let's say Susan Laurence is identified as the new Executive Director. Then the agency, in partnership with ADOA, draws up the Offer letter and sends that Offer letter electronically up to Bill Bell and the Governor's Office.

Mr. Travous asked if Ms. Laurence is required by ADOA's process to do that.

Ms. Laurence responded affirmatively.

Mr. Travous asked if this Board did not want her to do that, is there any other role she could play. The Parks Board does not have to do that. The problem is that we have separate statutes. The Board can hire at will; they are the administrative authority in this agency. It is separate, just as Game and Fish was. At the tail end of it, the Board needs to know that we've protected their prerogative to make the final decision. If Ms. Laurence can't get involved because the Governor requires her by the Governor's process to send that letter up for her blessing or approval, then the Board needs to know that.

Ms. Laurence responded that she would always do that – she would not feel comfortable not doing that. She stated that she would want to do that – she would not skirt that process. She would not not send that letter and approval to the Governor. She would still send that letter in compliance with that process. She added that the Governor has never selected the candidate by saying, "No, I am not going to select Susan Laurence." She's never heard that from the Governor. She's been here for a year-and-a-half and she gets a lot of Executive recruitments and she's always followed

the process as she was always directed to when she first started. She has never had any push-backs.

Mr. Travous responded that that's not the question and Ms. Laurence has not worked for the "perhaps" incoming Governor as well. It's not Governor Napolitano we're talking about.

Ms. Laurence responded that she understood that. She is saying that, unless she were told differently, she would continue to do what she has always done.

Mr. Travous asked if the Board needs to speak with Bill Bell.

Ms. Laurence responded that if the Board wishes to do that, it's fine. She can talk to him as well. She suggested that she send an E-mail message to her managers and let them know the concern that the Board has and see what their reply is. She will copy Mr. Travous on the E-Mail.

Mr. Travous responded that he'd just as soon do this informally with Bill Bell.

Ms. Laurence responded that that is fine. She just doesn't want to appear to be unsupportive because she is very supportive of the process.

Mr. Travous noted that he and Mr. Bell have known each other for a long time, and he will just discuss this with him informally.

Ms. Laurence asked if Mr. Travous to let her know the outcome of their discussions. She asked that the Board know that they really do support the process.

The phone call ended at this point in the meeting.

Chairman Scalzo noted that he doesn't believe Ms. Laurence has experienced working with an agency like ASP.

Mr. Carpenter added that Ms. Laurence does not have the authority to change policy. Someone else would have to change it.

Ms. Westerhausen asked if the Board really does not want to notify the Governor of whom the Board wants to extend the offer to.

Mr. Colton responded that notifying the Governor of whom the Board is going to make an offer to is one thing. It's a courtesy. The Governor appointed all of us. However, ADOA expects a sign-off from the Governor that it's OK to proceed. That's where the problem lies.

Chairman Scalzo added that he doesn't believe anyone on the Board is opposed to advising the Governor of the person selected. It's whether the Governor can veto that selection. It gets into an area that could be dangerous. We've had some elected officials impeached.

Ms. Westerhausen stated that it sounds to her that the best plan is for Mr. Travous to approach Mr. Bell informally and without any E-mails. She asked how the tension is handled between the confidentiality that the candidates want vs. our Open Meeting Law.

Ms. Hachtel responded that it kept confidential during the first application process and during the interviews. The only time it becomes public is when the Board is down to the finalists. She believes that all the interviews can be done confidentially in Executive

Session. She believes that the names of the final candidates are public. She will have that information for the Board closer to the time.

Chairman Scalzo noted that there is a logical reason for that. The same questions will be asked of all candidates. If the interviews are public, all the candidates except the first could be listening to the questions and preparing for their interviews. It gives them an unfair advantage over the first one interviewed.

Mr. Carpenter added that it is important to have the same questions to protect the Board from allegations of discrimination.

Ms. Westerhausen asked if a motion is needed at this point to delineate the duties of the subcommittee. The Chairman did a great job of outlining what they are going to do, but is a motion to that effect necessary?

Ms. Hachtel responded that that would be her advice. The motion should included what the Board, at this point in time, expects the subcommittee to achieve or do. It would be helpful to have that in the record.

Mr. Cordasco reiterated what Ms. Laurence stated earlier in the meeting. Step one is to have the job description defined and outlined so they can be sent out. ADOA then would post it on the AZ State Job Site with this listing. The Board would see the packet that's being posted. At that time there would be a deadline set for applications to be in by. At some time after that, the subcommittee would meet with the ADOA manager and prescreen the receipt of those candidates. At that time, a date would be established to interview the remaining candidates. After that, a subgroup of the candidates would be recommended to the Board for consideration and interview.

Chairman Scalzo added that prior to the Board interviewing candidates, the subcommittee would want to see all the groups that ADOA is sending the posting to. Mr. Travous and staff will prepare a list of those organizations the Board wants the position to be posted to, including any newspapers, journals, and online advertising. With assistance from ADOA, the subcommittee will prepare questions for the interviews and will present those questions in Executive Session to the Board for further refinements.

Board Action

Ms. Westerhausen: I move that the steps just outlined by Mr. Scalzo and Mr. Cordasco which covered the inception of the search process to the point of finalists' nominations be the process that the Arizona State Parks Board ask the subcommittee to use.

Mr. Woodling seconded the motion. The motion carried unanimously (5-0).

Mr. Travous stated he would try to get with Mr. Bell by the middle of next week. He will also try to put together an organizational document so the Board can see who does what. He noted that he needs approval to make the changes suggested by Mr. Carpenter relating to changing "civil service".

Mr. Colton noted that when the Board met in October he gave Mr. Travous some changes to be incorporated into the job description. He asked if those changes were made.

Mr. Travous responded that he read those changes but doesn't remember if he physically put those changes into the document.

Mr. Woodling noted that the subcommittee is made up of the Chairman, Mr. Cordasco, and Mr. Landry. He asked if the Chairman would take responsibility to let Mr. Landry know what transpired here today.

Chairman Scalzo responded that he will ask Ms. Busser to send him a list of what the subcommittee will do and disburse it to the subcommittee. He will work with the subcommittee and Ms. Busser to set up a meeting with ADOA very soon – within 5 working days if possible.

Mr. Carpenter reminded the Board that the Executive Director had requested the Board to approve the revised job description.

Mr. Woodling noted that the Board needs to know that Mr. Colton's changes are included.

Chairman Scalzo suggested a motion to approve this version of the job description as step one pending any other refinements that are necessary, including any comments from the Governor.

Mr. Travous noted that this will be the Board's big map. It will be refined by the Board several times before it's done. He believes he's made it general enough so The Nature Conservancy types will be able to apply.

Board Action

Ms. Westerhausen: I move that the Arizona State Parks Board give the subcommittee the authority to approve the job description for the Executive Director of Arizona State Parks. I further move that the subcommittee will finalize this job description with the Executive Director and provide it to the Department of Administration no later than Wednesday, November 26, 2008.

Mr. Woodling seconded the motion. The motion carried unanimously (5-0)

Chairman Scalzo noted that the Board needed to go into Executive Session and requested all staff except the Executive Director and Secretary to leave the room.

G. EXECUTIVE SESSION

- 1. To discuss or consult with its legal counsel for legal advice on matters listed on this agenda pursuant to A.R.S. §38-431.03.A.3.**
 - a. Hiring an Executive Director**
- 2. To discuss or consider employment, assignment, appointment, promotion, demotion, dismissal, salary, discipline or resignation of a public officer, appointee or employee of any public body pursuant to A.R.S. §38-431.03.A.1.**
 - a. Current and Future Executive Director's Compensation**

Mr. Cordasco made a motion that the Arizona State Parks Board go into Executive Session. Mr. Woodling seconded the motion. The motion carried unanimously (5-0).

Chairman Scalzo called for the Board to go into Executive Session at 1:10 p.m.

Chairman Scalzo reconvened the meeting at 2:42 p.m.

H. ACTION ITEMS FROM EXECUTIVE SESSION

- 1. The Board may decide to take action from Executive Session regarding hiring an Executive Director**

Chairman Scalzo noted that during Executive Session the Board discussed a selection process that they will follow up on.

- 2. The Board may decide to take action from Executive Session regarding the Current and Future Executive Director's Compensation.**

Board Action

Ms. Westerhausen: I move that the salary for the current Executive Director, Kenneth E. Travous, be brought up to the current E4 classification maximum amount effective July 2, 2008. Mr. Cordasco seconded the motion. The motion carried unanimously (5-0).

I. TIME AND PLACE OF NEXT MEETING AND CALL FOR FUTURE AGENDA ITEMS

- 1. Staff recommends that the next Arizona State Parks Board Meeting be on January 9, 2009 in its Board Room located at 1300 W. Washington Street, Phoenix, AZ.**

Chairman Scalzo stated that the next meeting of the ASP Board will be on Friday, January 9, 2009.

- 2. Board members may wish to discuss issues of interest to Arizona State Parks and request staff to place specific items on future Board meeting agendas.**

Ms. Westerhausen noted that the Board will meet at Boyce Thompson Arboretum in February. She suggested that the Parks Board consider giving Mr. Siegwarth something in appreciation for his service at that time.

Mr. Cordasco asked whether staff did something for Mr. Siegwarth when he left.

Mr. Travous responded that something was scheduled; but, unfortunately, his mother-in-law passed away and he had to leave town on that date. It would still be nice when the Board goes to the Arboretum to spend some time with him socially.

Chairman Scalzo stated that the Board members, through their own resources, may want to contribute towards something to give to him as a token of their thanks as Board members.

Mr. Cordasco noted that he got the logo with a background behind it in a copper frame and it was outstanding. It is one of the coolest things he's seen.

Chairman Scalzo asked Ms. Westerhausen to head this up. The Board members, as individuals, can contribute to a gift for Mr. Siegwarth.

Chairman Scalzo stated that an Agenda Item for the January 9th meeting will be an update on the Strategic Plan; a report from Ms. Westerhausen's committee; presentations from groups on the OHV legislation; the budget; and election of officers.

Mr. Cordasco noted that the Governor will appoint a new Board member next year. He asked how soon we can expect that to occur.

Chairman Scalzo responded that that won't happen for some time into the next calendar year.

Mr. Travous added that if Governor Napolitano takes a cabinet position in President-Elect O'Bama's administration, the new governor (Ms. Brewer) will nominate someone else to sit on the Board. He noted that Mr. Bob Burns has appointed himself as Chairman of the Rules Committee and has said that nothing is going to move until they get a budget. That is pushing everything back. He expects that Mr. Cordasco will continue to serve for quite a long time into the new year.

Mr. Ream noted that the Board also wants an Executive Session for the interview questions for the hiring of a new Executive Director on the January Agenda. The Board will probably want to discuss the Yuma situation again.

Mr. Travous added that staff will try to get some dates if Board members want to visit the Sonoita Creek Ranch property.

Mr. Woodling reported that he had the opportunity to visit Homolovi State Park last week with his wife. It was special to go back there because the only other time he was there was with Mr. Travous in the 1980s. At that time, the first thing he and Mr. Travous did was drive up and look at this potential park. They were both very excited about it because it drew in the Native Americans and a lot of other good things. It's just outside of Winslow and there was no state park in the area. It became a state park since then. He and his wife went back there and met Ranger Ken Evans and Ranger Gwen Setalla. She is a temporary employee and is Hopi. She has a great knowledge of the Hopi crafts and arts that are in that visitor's center for sale. His wife was looking for a quilt that was made by the Hopis and she found one. They had a very interesting tour and visit. They said more than 20,000 students have been there. It's an educational park. They drove around and saw several ruins that are there. There were several people camping in the various campgrounds. The park was very well maintained. The roads, however, are suspect. They will be an issue down the road.

Mr. Woodling noted that the thing that really interested him is that the people who bring the students in have no idea of the Hopi traditions and have to be trained in the idea of ghost skeletons. A lot of these areas that are Hopi ruins are sacred to the Hopi and the Hopi students cannot touch these artifacts. They have to make artifacts that are not real but look like the real artifacts.

Mr. Woodling stated that he wanted to report to the Board that he enjoyed visiting this park. He has been to almost all the other parks over the year except Homolovi. It was thrilling to get back and meet the people who work there and are dedicated to the park and have been there many years. They have a wonderful gift shop and a wonderful museum. It is a real tribute to the people who work there and the staff here. One of the reasons he wants to meet at as many parks as possible next year is because he feels the Board really should get out and see some of these state parks.

Chairman Scalzo added that, for the January meeting, he wants to be sure that we invite the appropriate people from Game and Fish Commission, State Land Department (other than Mr. Winkleman), Bureau of Land Management, and the Forest Service for a discussion only about the OHVAG policy. He suggested that the County Sheriffs should be invited as well because they are involved in enforcement.

Mr. Cordasco asked what the Board's goal is through those discussions.

Chairman Scalzo responded that the Board is trying to get input so the Board can identify how it utilizes whatever resources come in consistent with the statute and consistent with what ASP can do with it while taking into account how the Board balances the priorities for education, new trail development, and for protection.

Mr. Cordasco noted he doesn't understand what the Board's goal is about what is being suggested, and that is why he asked. Is the Board asking these other entities for input.

Chairman Scalzo responded that the Board is asking for input on the implementation of the new OHV legislation.

Mr. Cordasco responded that earlier in this meeting the Chairman said that Ms. Westerhausen will head an ad hoc committee to work with OHVAG to coordinate the new program.

Mr. Travous suggested that Ms. Westerhausen speak with Ms. Pulsifer, Chief of Grants, who could provide information on how the various advisory groups were formed. Ms. Tanna Thornberg would be another good source of information.

Mr. Cordasco suggested Ms. Westerhausen also speak with a representative of Game and Fish's Habitat Improvements Project.

Mr. Ream noted that it may just mean that the income from this program just goes to cover what will be lost on the other side and that the program won't grow that much.

J. CALL TO THE PUBLIC

There was no public remaining in the room.

K. ADJOURNMENT

Ms. Westerhausen made a motion to adjourn the meeting. Mr. Woodling seconded and the motion carried unanimously.

Chairman Scalzo adjourned the meeting at 3:00 p.m.

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APPROVED:

WILLIAM SCALZO, CHAIRMAN

KENNETH E. TRAVOUS, EXECUTIVE DIRECTOR

